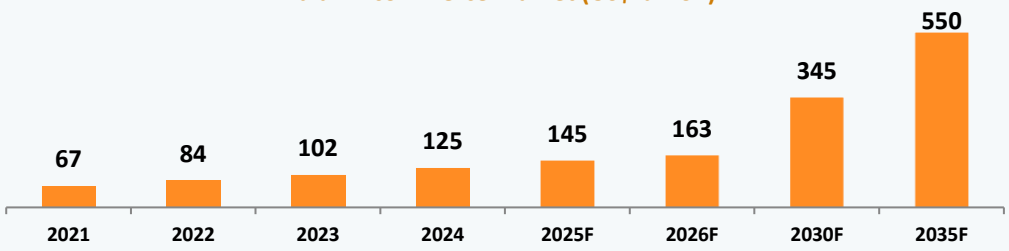
E-COMMERCE

MARKET SIZE

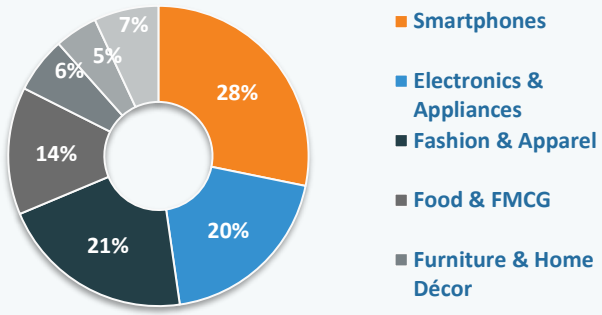
Indian E-commerce Market (US$ billion)



Note: F – Forecast

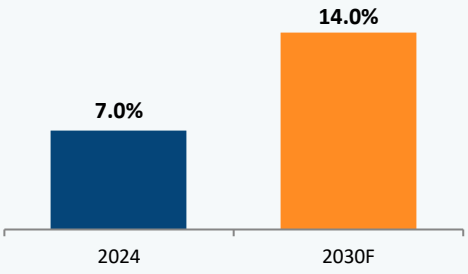
SECTOR COMPOSITION

Shares of Various Segments in e-commerce Retail (2024)

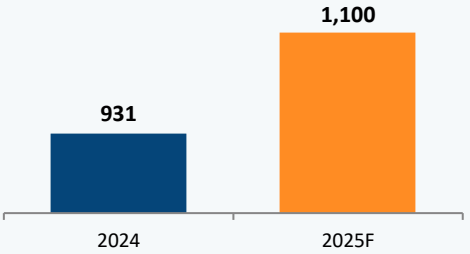


KEY TRENDS

Online Retail vs. Total Retail



India's Smartphone User Base (million)



GOVERNMENT INITIATIVES

- Government e-Market Place (GeM)
- National Retail Policy
- Consumer Protection Rules 2020

ADVANTAGE INDIA

- **Growing demand:** Online retail is projected to more than double from US$ 75–85 billion in 2025 to US$ 170–180 billion by 2030. In parallel, e-services including travel, dining, education, insurance, and online subscriptions are estimated to grow from US$ 45–55 billion to US$ 120–130 billion over the same period, indicating strong growth across both product and service segments. India's quick commerce segment has emerged as a US$ 7–8 billion market in FY25, expanding at a CAGR of 110–130% over 2021–25. The segment is projected to reach US$ 65–70 billion by 2030, contributing nearly half of incremental e-retail growth, reflecting a structural shift toward high-frequency, convenience-led consumption.
- **Increasing Investment:** In December 2025, Amazon announced a US$ 35 billion investment in India by 2030, aimed at expanding digital infrastructure, scaling AI adoption, and boosting e-commerce exports to US$ 80 billion, reflecting strong long-term growth confidence in the market. In September 2025, Nykaa entered the UK market with the launch of its in-house brand Kay Beauty at Space NK, marking its expansion beyond India and the GCC. In December 2025, Flipkart acquired a majority stake in Minivet AI, a GenAI startup, to strengthen its AI-led commerce capabilities.
- **Policy support**: 100% FDI is allowed in B2B e-commerce. As per the new guidelines on FDI in E-commerce, 100% FDI under automatic route is permitted in the marketplace model of E-commerce.
- **Attractive opportunities**. : India's e-commerce industry, valued at Rs. 10,82,875 crore (US$ 125 billion) in 2024, is projected to grow to Rs. 29,88,735 crore (US 345 billion) by 2030, reflecting a compound annual growth rate (CAGR) of 18.4%. The rapidly expanding Direct-to-Consumer (D2C) segment is driving growth, with India's D2C market projected to grow at a 40% CAGR, reaching US$ 60 billion by 2030. E-commerce in India is expected to surpass US$ 145 billion in 2025, powered by mobile commerce and AI-driven hyper-personalization enhancing customer experiences.

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